

Changes in Geographic Distribution

of the entire business population. The 1987 Census data indicate that women business owners have made great strides in this direction by rapidly increasing their industrial diversification.

Between 1982 and 1987, the Northeastern states led the nation in relative growth in the number and annual receipts of women-owned businesses (Tables D.4 and D.5). In fact, five of the six states that had the fastest relative growth in women-owned business receipts were in New England. The increases were 526.6 percent in Massachusetts, 395.7 percent in Rhode Island, 374.3 percent in New Hampshire, 288.8 percent in Maine, 285.0 percent in Delaware, and 279.7 percent in Connecticut. Virtually all of the top 14 states were on the East Coast. These geographic patterns in the receipts growth of women-owned businesses are not readily explained; they do not mirror patterns in the overall economic growth of states' economies. For instance, there is no systematic relationship between the rankings of states by the relative growth of women-owned businesses' receipts between 1982 and 1987 and by relative growth of statewide personal income over the same period.

Between 1982 and 1987, California remained the state with the largest absolute volume of receipts generated by women-owned businesses. In 1987, the receipts of women-owned businesses in California were a formidable \$31.0 billion, just over 11 percent of the \$278 billion in women-owned business receipts nationwide.

Women-Owned Businesses as Employers of U.S. Workers

Women-owned businesses are increasingly important providers of American jobs. Between 1982 and 1987, the number of women-owned businesses with paid employees nearly doubled, rising from 311,662 businesses in 1982 to 618,198 businesses in 1987. As of 1987, women-owned businesses employed 3.1 million American workers, more than twice the 1.4 million workers employed by women-owned businesses in 1982.

A More Complete Accounting of the Women-Owned Business Population

The Federal Reserve Board of Governors, with SBA cooperation, conducted the National Survey of Small Business Finance (NSSBF) to collect information on the financial structure of small businesses. A byproduct of this survey is the only federally produced estimate of the number and receipts of regular (1120C) corporations owned by women. According to the NSSBF, there were 184,103 regular corporations owned by women in 1987, with total receipts of approximately \$198.8 billion.

Pursuing More Timely Data

Combining the 1987 NSSBF figures on women-owned regular corporations with the 1987 Census data on women-owned sole proprietorships, partnerships, and Subchapter S corporations creates crude but uniquely comprehensive estimates of the total number of women-owned businesses and their annual receipts. The combined Census and NSSBF data reveal that in 1987 there were approximately 4.3 million women-owned businesses, with total receipts of \$476.9 billion. These estimates—contrasted with Census and IRS universe estimates of the 1987 U.S. business population—establish an approximate lower bound for women-owned business' share of businesses and business receipts: as of 1987, about 26.6 percent of U.S. businesses were women-owned, accounting for roughly 4.5 percent of total U.S. business receipts.⁵

The Census Bureau's quinquennial Survey of Women-Owned Businesses (WOB) is the most comprehensive source of data on women-owned businesses collected by the federal government on a regular basis. However, these data are collected only at five-year intervals, and there is a two- to three-year lag in their release.

The IRS assists the SBA to enable more timely tracking of women-owned businesses and to track these businesses over the interim years not covered by Census' WOB. Every year, under an interagency agreement with the IRS, SBA's Office of Advocacy purchases customized tabulations based on a random sample of nonfarm sole proprietorship income tax returns.

On the basis of the first names of sole proprietors appearing on Form 1040C income tax returns, the IRS classifies nonfarm sole proprietorships as women-owned, men-owned, or jointly owned. The IRS provides the SBA with tabulations of the number, annual receipts, and net income of sole proprietorships by gender of ownership, geographic location (SBA region), and indus-

⁵The Census Bureau reports that there were 13,695,480 sole proprietorships, partnerships, and Subchapter S corporations (with receipts of \$500 or more) in 1987, with combined 1987 receipts of \$1.995 trillion. The Internal Revenue Service reports that there were 2,484,228 regular (1120C) corporations with total receipts of \$8.61 trillion in 1987.

try group.⁶ At present, IRS/SBA data on women-owned, men-owned, and jointly owned sole proprietorships are available for every year, except 1978, between 1977 and 1988.

Between 1980 and 1988, the number of women-owned nonfarm sole proprietorships increased by 81.9 percent, from 2,535,240 in 1980 to 4,610,951 in 1988. This is about one and one-half times the rate of increase in the number of all nonfarm sole proprietorships (Table D.6). The total receipts of women-owned nonfarm sole proprietorships rose from \$36.4 billion in 1980 to \$83.4 billion in 1988, an increase of 129.2 percent. By contrast, the total receipts of all nonfarm sole proprietorships rose by 55.8 percent over this eight-year period (Table D.7). As of 1988, the average receipts size of women-owned sole proprietorships was \$18,080 (in current dollars), or about 34 percent of the average (current dollar) receipts size of men-owned sole proprietorships (\$52,485).

In 1980, the share of all nonfarm sole proprietorships owned by women was 26.1 percent; by 1988, it had risen to 30.4 percent. In 1988, women-owned sole proprietorships accounted for 13 percent of the receipts of all nonfarm sole proprietorships, up from 8.8 percent in 1980.

Between 1980 and 1988, the industrial sectors that experienced the strongest relative growth in the number of women-owned sole proprietorships—mining, construction, manufacturing, and transportation, communications, and public utilities—were industries in which women-owned businesses have traditionally been underrepresented. This pattern is consistent with the increasing industrial diversification of women-owned businesses revealed by the Census data for 1982 and 1987.

Ranked by geographic location, SBA Region II (New Jersey and New York) posted the highest rate of growth in the number of women-owned nonfarm sole proprietorships, at 114.2 percent (Table D.8). However, SBA

⁶The industry groups are: (1) agriculture, forestry, and fishing; (2) mining, construction, and manufacturing; (3) transportation, communications, and electric utilities; (4) wholesale and retail trade; (5) finance, insurance, and real estate; and (6) services. Cost considerations preclude processing a sufficiently large sample of tax returns to permit legal disclosure of data arrayed by gender of ownership and less aggregated levels of geographic and industrial detail.

Region IX (Arizona, California, Hawaii, and Nevada) exhibited the strongest relative growth—217.0 percent—in women-owned business receipts (Table D.9).

The average annual increase in the number of women-owned nonfarm sole proprietorships between 1977 and 1988 was 8.4 percent, nearly twice the 4.4-percent average annual growth rate in the number of proprietorships owned by men (Table D.10). After adjusting for inflation, the total receipts of women-owned nonfarm sole proprietorships grew at an average annual rate of 5.9 percent, almost six times the 0.1 percent average growth rate of the receipts of men-owned sole proprietorships during this same period (Table D.11).

Between 1977 and 1988, there was a fairly steady decline in the average inflation-adjusted receipts of nonfarm sole proprietorships, regardless of gender of ownership (Table D.12). However, the receipts size of women-owned sole proprietorships declined less each year, on average (−2.6 percent) than did men-owned sole proprietorships (−4.1 percent), or nonfarm sole proprietorships overall (−4.3 percent).

In many ways, the 1988 IRS/SBA data on women-owned sole proprietorships represent a departure from the favorable trends that prevailed from the late 1970s through most of the 1980s. For example, the 1987–1988 growth in the number of women-owned nonfarm sole proprietorships was the lowest in the entire 1977–1988 period for which data are available. In fact, 1987–1988 marked the first time since 1983–1984 that the number of women-owned sole proprietorships increased less than men-owned nonfarm sole proprietorships and nonfarm sole proprietorships overall.

Moreover, while the total (inflation-adjusted) receipts of women-owned nonfarm sole proprietorships actually declined by 0.06 percent between 1987 and 1988, those of men-owned sole proprietorships rose by 1.41 percent and overall receipts of nonfarm sole proprietorships increased by 1.83 percent.

The apparent change of direction in the 1987–1988 IRS/SBA women-owned business statistics may reflect an aberration in the data or may be a temporary phenomenon. However, the last several years have been characterized by exceptionally strong growth in the women-owned segment of the business population, and it is inevitable that this pace will eventually slow down. Only time will tell whether 1988 marks the inflection point in the expansion of the women-owned business population.

Conclusion

Women-owned businesses constitute a rapidly expanding segment of the U.S. business population. Moreover, as revealed by both IRS/SBA time series data on women-owned sole proprietorships and the more comprehensive 1982 and 1987 Census data, women entrepreneurs are moving into industries where women-owned businesses have traditionally been underrepresented. This development is essential if women are to achieve economic parity among business owners. In the real world, profit rates vary by industry, and in this context, women's ability to establish businesses in all industries is an equity issue.⁷ The increased industrial diversification of women-owned businesses is a positive development in the economic empowerment of women.

⁷See *Relative Tax Burden by Firm Size and Industry*, report no. PB86-159878, prepared by Jack Faucett Associates, Inc., for the U.S. Small Business Administration, Office of Advocacy (Springfield, Va.: National Technical Information Service, 1985).

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Number and Receipts of Women-Owned Businesses by Legal Form of Organization, 1987

Legal Form of Organization	Number of Businesses	Percent of Total	Total Receipts (Millions of Dollars)	Percent of Total
Sole Proprietorships	3,722,544	90.5	80,627	10.5
Partnerships	155,760	3.8	29,265	29.0
Subchapter S Corporations	236,483	5.8	168,246	60.5

Source: Adapted by the U.S. Small Business Administration, Office of Advocacy, from U.S. Department of Commerce, Bureau of the Census, *Women-Owned Businesses, 1987* (Washington, D.C.: U.S. Government Printing Office, 1990), Table 7.

Number and Receipts of Women-Owned Businesses by Industry, 1982 and 1987

Industry	1982				1987			
	Number of Firms	Percent of Total	Receipts (Thousands of Dollars)	Percent of Total	Number of Firms	Percent of Total	Receipts (Thousands of Dollars)	Percent of Total
Agriculture, Forestry, Fishing	19,497	0.75	685,728	0.70	47,979	1.17	1,932,818	0.69
Mining	19,832	0.76	2,220,945	2.26	26,420	0.64	1,933,822	0.70
Construction	58,991	2.26	4,564,914	4.64	94,308	2.29	20,302,124	7.30
Manufacturing	44,909	1.72	5,302,877	5.40	93,960	2.28	30,914,089	11.11
Transportation, Communications, Public Utilities	38,944	1.49	3,228,923	3.29	79,768	1.94	10,936,278	3.93
Wholesale Trade	32,059	1.23	9,189,524	9.35	82,513	2.01	42,804,558	15.39
Retail Trade	631,309	24.16	35,861,430	36.48	796,692	19.37	85,417,525	30.71
Finance, Insurance, Real Estate	246,403	9.43	6,369,932	6.48	437,360	10.63	17,833,402	6.41
Services	1,284,837	49.18	26,277,751	26.73	2,269,028	55.17	61,123,430	21.98
Unclassified	235,840	9.03	4,589,489	4.67	184,759	4.49	4,940,071	1.78

Source: Adapted by the U.S. Small Business Administration, Office of Advocacy, from U.S. Department of Commerce, Bureau of the Census, *Women-Owned Businesses, 1987* (Washington, D.C.: U.S. Government Printing Office, 1990), Table 1.

Number and Receipts of Women-Owned Businesses, 1982 and 1987

	Number of Businesses		Percent Change, 1982-1987	Rank
	1982	1987		
Agriculture	19,497	47,979	146.08	2
Mining	19,832	26,420	33.22	8
Construction	58,991	94,308	59.87	7
Manufacturing	44,909	93,960	109.22	3
Transportation, Communications, Public Utilities	8,944	79,768	104.83	4
Wholesale Trade	32,059	82,513	157.38	1
Retail Trade	631,309	796,692	26.20	9
Finance, Insurance, Real Estate	246,403	437,360	77.50	5
Services	1,284,837	2,269,028	76.60	6
Unclassified	235,840	184,759	-21.66	—

	Receipts (Thousands of Dollars)		Percent Change, 1982-1987	Rank
	1982	1987		
Agriculture	685,728	1,932,818	181.86	5
Mining	2,220,945	1,933,822	-12.93	9
Construction	4,564,914	20,302,124	344.74	3
Manufacturing	5,302,877	30,914,089	482.97	1
Transportation, Communications, Public Utilities	3,228,923	10,936,278	238.70	4
Wholesale Trade	9,189,524	42,804,558	365.80	2
Retail Trade	35,861,430	85,417,525	138.19	7
Finance, Insurance, Real Estate	6,369,932	17,833,402	179.96	6
Services	26,277,751	61,123,430	132.61	8
Unclassified	4,589,489	4,940,071	7.64	—

Source: U.S. Department of Commerce, Bureau of the Census, *Women-Owned Businesses, 1987* (Washington, D.C.: U.S. Government Printing Office, 1987), Table 1.

Women-Owned Firms by SBA Region and State, 1982 and 1987

			Percent Change, 1982-1987	Rank
Region/State	1982	1987		
Massachusetts	63,162	111,376	76.3	5
Rhode Island	8,032	14,517	80.7	3
New Hampshire	11,912	22,713	90.7	1
Maine	14,473	23,922	65.3	13
Connecticut	35,450	60,924	71.9	7
Vermont	8,044	13,802	71.6	8
New Jersey	63,243	117,373	85.6	2
New York	176,485	284,912	61.4	16
Delaware	5,702	9,727	70.6	9
Maryland	48,371	81,891	69.3	10
Virginia	56,882	94,416	66.0	11
Pennsylvania	106,159	167,362	57.7	20
District of Columbia	8,893	10,987	23.6	51
West Virginia	15,730	22,549	43.4	43
North Carolina	57,374	93,532	63.0	14
Florida	125,392	221,361	76.5	4
Georgia	53,254	88,050	65.3	12
South Carolina	27,055	42,604	57.5	21
Alabama	30,856	48,018	55.6	27
Tennessee	44,643	67,448	51.1	30
Mississippi	20,411	28,976	42.0	45
Kentucky	36,558	53,454	46.2	36
Illinois	110,278	177,057	60.6	18
Wisconsin	44,413	69,185	55.8	26
Minnesota	56,234	88,137	56.7	22
Michigan	87,133	133,958	53.7	28
Indiana	62,015	89,949	45.0	40
Ohio	102,519	154,084	50.3	32

Continued *Women-Owned Firms by SBA Region and State, 1982 and 1987—*

Region/State	1982	1987	Percent Change, 1982-1987	Rank
New Mexico	16,287	25,397	55.9	24
Arkansas	24,463	35,469	45.0	41
Texas	199,758	298,138	49.3	33
Oklahoma	49,193	63,690	29.5	49
Louisiana	38,315	55,852	45.8	37
Missouri	54,080	87,658	62.1	15
Iowa	36,097	53,592	48.5	34
Kansas	36,770	53,505	45.5	39
Nebraska	22,746	32,285	41.9	46
Colorado	57,370	89,411	55.9	25
Utah	19,072	29,810	56.3	23
South Dakota	9,367	13,374	42.8	44
Montana	12,762	17,747	39.1	48
North Dakota	8,770	12,689	44.7	42
Wyoming	8,393	10,796	28.6	50
Nevada	11,676	18,831	61.3	17
Arizona	35,085	60,567	72.6	6
California	354,662	559,821	57.9	19
Hawaii	14,415	21,696	50.5	31
Oregon	40,479	58,941	45.6	38
Washington	59,296	90,285	52.3	29
Alaska	9,489	13,976	47.3	35
Idaho	13,403	18,973	41.6	47

Source: Adapted by the U.S. Small Business Administration, Office of Advocacy, from U.S. Department of Commerce, Bureau of the Census, *Women-Owned Business, 1987* (Washington, D.C.: U.S. Government Printing Office, 1990), Table 2.

Receipts of Women-Owned Businesses by SBA Region and State, 1982 and 1987

Region/State	1982	1987	Percent Change, 1982-1987	Rank
Massachusetts	1,777,802	11,139,810	526.6	1
Rhode Island	270,337	1,340,182	395.7	2
New Hampshire	391,716	1,857,769	374.3	3
Maine	420,461	1,634,638	288.8	4
Connecticut	1,401,205	5,319,710	279.7	6
Vermont	266,796	766,092	187.2	21
New Jersey	3,573,040	13,553,517	279.3	7
New York	8,352,464	29,969,920	258.8	10
Delaware	195,636	753,238	285.0	5
Maryland	1,529,902	5,508,587	260.1	9
Virginia	1,753,387	5,951,516	239.4	12
Pennsylvania	4,186,425	13,339,231	218.6	13
District of Columbia	333,941	774,019	131.8	34
West Virginia	615,651	1,114,228	81.0	46
North Carolina	1,859,606	6,813,158	266.4	8
Florida	4,788,745	16,828,094	251.4	11
Georgia	1,847,866	5,873,682	217.9	14
South Carolina	983,220	2,949,555	200.0	18
Alabama	1,267,621	3,624,355	185.9	22
Tennessee	1,707,491	4,226,269	147.5	30
Mississippi	954,839	2,062,007	116.0	37
Kentucky	1,582,634	3,265,168	106.3	40
Illinois	4,566,694	13,884,278	204.0	17
Wisconsin	1,562,095	4,667,000	198.8	19
Minnesota	1,750,867	4,991,493	185.1	23
Michigan	2,789,692	7,889,112	182.8	25
Indiana	3,191,676	8,913,422	179.3	26
Ohio	3,615,026	8,872,169	145.4	31

Receipts of Women-Owned Businesses by SBA Region and State, 1982
and 1987—Continued

Region/State	1982	1987	Percent Change, 1982-1987	Rank
New Mexico	575,980	1,166,312	102.4	41
Arkansas	1,069,343	2,007,652	87.8	44
Texas	8,074,340	13,384,958	65.8	49
Oklahoma	2,123,012	2,947,868	38.9	50
Louisiana	2,200,975	2,961,706	34.6	51
Missouri	1,989,406	5,349,139	168.9	27
Iowa	1,136,994	2,904,611	155.5	29
Kansas	1,234,950	2,660,785	115.5	38
Nebraska	716,683	1,649,048	130.1	35
Colorado	1,829,435	4,260,547	132.9	33
Utah	664,597	1,392,426	109.5	39
South Dakota	368,044	726,047	97.3	42
Montana	499,100	930,377	86.4	45
North Dakota	340,081	571,701	68.1	47
Wyoming	312,466	523,908	67.7	48
Nevada	450,174	1,413,558	214.0	16
Arizona	1,027,306	2,910,886	183.4	24
California	12,022,899	31,026,855	158.1	28
Hawaii	356,498	856,930	140.4	32
Oregon	1,357,284	4,279,167	215.3	15
Washington	1,598,681	4,689,046	193.3	20
Alaska	378,943	829,326	118.9	36
Idaho	427,487	813,043	90.2	43

Source: Adapted by the U.S. Small Business Administration, Office of Advocacy, from U.S. Department of Commerce, Bureau of the Census, Women-Owned Businesses, 1987 (Washington, D.C.: U.S. Government Printing Office, 1990), Table 2.

Nonfarm Sole Proprietorships by Gender of Ownership and Industry Group, 1980 and 1988

Industry	1980					1988					Percent Change, 1980-1988
	All Nonfarm Businesses	Women- Owned Businesses	Share of Total	All Nonfarm Businesses	Women- Owned Businesses	Share of Total	All Nonfarm Businesses	Women- Owned Businesses			
Agriculture, Forestry, and Fishing	307,720	30,811	10.0	381,237	59,526	15.6	23.9	93.2			
Mining, Construction, and Manufacturing	1,409,280	84,221	6.0	2,286,012	197,470	8.6	62.2	134.5			
Transportation, Communications, and Public Utilities	438,795	27,696	6.3	635,683	67,797	10.7	44.9	144.8			
Wholesale and Retail Trade	2,527,084	824,771	32.6	2,755,973	991,197	36.0	9.1	20.2			
Finance, Insurance, and Real Estate	1,048,966	354,801	33.8	1,369,120	520,844	38.0	30.5	46.8			
Services	3,918,166	1,212,940	31.0	7,730,542	2,774,117	35.9	97.3	128.7			

Note: Detail may not add to totals due to disclosure rules regarding the release of taxpayer information. Data for 1988 are preliminary. Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Note: Detail may not add to totals due to disclosure rules regarding the release of taxpayer information. Data for 1988 are preliminary.
Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Receipts of Nonfarm Sole Proprietorships by Gender of Ownership and Industry Group, 1980 and 1988 (Thousands of Dollars)

Industry	1980			1988			Percent Change, 1980-1988	
	All Nonfarm Businesses	Women- Owned Businesses	Women's Share of Total	All Nonfarm Businesses	Women- Owned Businesses	Women's Share of Total	All Nonfarm Businesses	Women- Owned Businesses
Agriculture, Forestry, and Fishing	6,433,612	234,280	3.6	15,305,281	1,306,410	8.5	137.9	457.6
Mining, Construction, and Manufacturing	71,248,141	1,977,303	2.8	114,209,462	4,093,412	3.6	60.3	107.0
Transportation, Communications, and Public Utilities	19,965,525	698,144	3.5	29,736,180	3,743,798	12.6	48.9	436.3
Wholesale and Retail Trade	202,283,802	18,937,581	9.4	213,073,282	25,836,400	12.1	5.3	36.4
Finance, Insurance, and Real Estate	21,530,768	3,640,416	16.9	42,382,942	9,536,114	22.5	96.8	162.0
Services	89,743,865	10,888,846	12.1	226,056,011	38,848,271	17.2	151.9	256.8

Note: Detail may not add to totals due to disclosure rules regarding the release of taxpayer information. Data for 1988 are preliminary.
Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Nonfarm Sole Proprietorships by Gender of Ownership and SBA Region, 1980 and 1988

Region	1980			1988			Percent Change, 1980-1988	
	All Nonfarm Businesses	Women- Owned Businesses	Women's Share of Total	All Nonfarm Businesses	Women- Owned Businesses	Women's Share of Total	All Nonfarm Businesses	Women- Owned Businesses
Region I	512,401	120,273	23.5	803,276	226,192	28.2	56.8	88.1
Region II	807,319	195,756	24.2	1,350,217	419,347	31.1	67.2	114.2
Region III	866,848	231,216	26.7	1,431,663	477,939	33.4	65.2	106.7
Region IV	1,480,801	370,354	25.0	2,414,676	655,974	27.2	63.1	77.1
Region V	1,774,893	481,945	27.2	2,595,141	773,395	29.8	46.2	60.5
Region VI	1,237,802	277,022	22.4	1,833,216	520,057	28.4	48.1	87.7
Region VII	602,859	166,643	27.6	878,138	278,070	31.7	45.7	66.9
Region VIII	431,948	115,755	26.8	586,469	196,522	33.5	35.8	69.8
Region IX	1,513,668	446,169	29.5	2,617,853	860,712	32.9	72.9	92.9
Region X	484,626	123,924	25.6	647,917	202,741	31.3	33.7	63.6

Note: Detail may not add to totals due to disclosure rules regarding the release of information for specific taxpayers. SBA regions, which correspond to federal regions, are defined as follows: Region I: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont; Region II: New Jersey, New York; Region III: Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia; Region IV: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee; Region V: Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin; Region VI: Arkansas, Louisiana, New Mexico, Oklahoma, Texas; Region VII: Iowa, Kansas, Missouri, Nebraska; Region VIII: Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming; Region IX: Arizona, California, Hawaii, Nevada; and, Region X: Alaska, Idaho, Oregon, Washington. Data for 1988 are preliminary.

Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Receipts of Nonfarm Sole Proprietorships by Gender of Ownership and SBA Region, 1980 and 1988 (Thousands of Dollars)

Region	1980			1988			Percent Change, 1980-1988	
	All Nonfarm Businesses	Women- Owned Businesses	Women's Share of Total	All Nonfarm Businesses	Women- Owned Businesses	Women's Share of Total	All Nonfarm Businesses	Women- Owned Businesses
Region I	19,394,807	1,521,698	7.8	38,091,441	4,259,367	11.2	96.4	179.9
Region II	30,900,154	3,065,589	9.9	54,858,873	9,038,950	16.5	77.5	194.9
Region III	37,319,189	3,408,915	9.1	59,527,163	8,811,175	14.8	59.5	158.5
Region IV	66,605,226	5,515,772	8.3	95,305,837	10,992,286	11.5	43.1	99.3
Region V	73,456,559	6,463,322	8.8	94,584,181	10,567,655	11.2	28.8	63.5
Region VI	57,683,340	4,538,872	7.9	71,402,085	7,837,310	11.0	23.8	72.7
Region VII	26,636,767	2,080,737	7.8	35,975,862	4,282,598	11.9	35.1	105.8
Region VIII	16,337,108	1,206,690	7.4	21,108,325	2,130,393	10.1	29.2	76.5
Region IX	64,684,469	6,989,048	10.8	140,129,909	22,157,109	15.8	116.6	217.0
Region X	17,823,850	1,528,716	8.6	29,779,482	3,287,562	11.0	67.1	115.1

Note: Detail may not add to totals due to disclosure rules regarding the release of information for specific taxpayers. SBA regions, which correspond to federal regions, are defined as follows: Region I: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont; Region II: New Jersey, New York; Region III: Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia; Region IV: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee; Region V: Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin; Region VI: Arkansas, Louisiana, New Mexico, Oklahoma, Texas; Region VII: Iowa, Kansas, Missouri, Nebraska; Region VIII: Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming; Region IX: Arizona, California, Hawaii, Nevada; and, Region X: Alaska, Idaho, Oregon, Washington. Data for 1988 are preliminary.

Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Nonfarm Sole Proprietorships by Gender, 1977-1988

Year	Women-Owned Businesses	All Businesses ¹	Men-Owned Businesses
1988	4,610,951	15,158,567	10,027,537
1987	4,462,264	14,548,946	9,576,494
1986	4,121,352	13,798,340	9,243,927
1985	3,738,107	13,296,751	9,075,651
1984	3,382,769	12,495,141	8,643,431
1983	3,254,248	11,781,015	8,064,812
1982	2,942,366	11,170,204	7,787,830
1981	2,780,277	10,545,337	7,480,655
1980	2,535,240	9,730,019	6,928,659
1979	2,341,397	9,343,603	6,749,382
1978 ²	2,121,060	8,878,705	6,502,283
1977	1,900,723	8,413,806	6,255,184
Average Annual Percent Change, 1977-1988	8.4	5.5	4.4

¹Includes jointly owned nonfarm sole proprietorship businesses. Therefore, women-owned and men-owned nonfarm sole proprietorships will not sum to total.

²1978 data represent a weighted average.

Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Receipts of Nonfarm Sole Proprietorships by Gender, 1977-1988
(Thousands of 1982 Dollars)

Year	Women-Owned Businesses	All Businesses ¹	Men-Owned Businesses
1988	68,754,149	528,464,459	434,059,221
1987	68,797,773	518,965,788	428,036,229
1986	62,821,019	486,129,554	400,392,314
1985	58,652,090	486,966,123	406,085,701
1984	52,060,662	479,142,938	404,816,564
1983	50,657,273	442,186,176	368,432,032
1982	41,717,148	433,664,897	373,090,664
1981	42,107,326	454,322,399	402,768,873
1980	42,446,406	479,819,968	428,815,148
1979	43,424,406	503,396,430	452,318,481
1978 ²	41,071,334	498,727,542	449,274,848
1977	37,407,923	482,158,952	435,706,618
Average Annual Percent Change, 1977-1988	5.9	0.9	0.1

¹Includes jointly owned nonfarm sole proprietorship businesses. Therefore, women-owned and men-owned nonfarm sole proprietorships will not sum to total.

²1978 data represent a weighted average.

Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

Receipts per Nonfarm Sole Proprietorship by Gender, 1977-1988
(1982 Dollars)

Year	Women-Owned Businesses	All Businesses ¹	Men-Owned Businesses
1988	14,911	34,862	43,287
1987	15,418	35,670	44,697
1986	15,243	35,231	43,314
1985	15,690	36,623	44,745
1984	15,390	38,346	46,835
1983	15,567	37,534	45,684
1982	14,178	38,823	47,907
1981	15,145	43,083	53,841
1980	16,743	49,313	61,890
1979	18,546	53,876	67,016
1978 ²	19,364	56,171	69,095
1977	19,681	57,306	69,655
Average Annual Percent Change, 1977-1988	-2.6	-4.3	-4.1

¹Includes jointly owned nonfarm sole proprietorship businesses. Therefore, women-owned and men-owned nonfarm sole proprietorships will not sum to total.

²1978 data represent a weighted average.

Source: Special tabulations prepared by the U.S. Department of the Treasury, Internal Revenue Service, under contract to the U.S. Small Business Administration, Office of Advocacy, December 1990.

EXHIBIT 2

SUMMARY OF 1987 MINORITY BUSINESS CENSUS

Every 5 years, the U.S. Bureau of the Census - as a special program of its Economic Censuses - releases basic statistics on minority-owned businesses.

The businesses covered by this program include all sole proprietorships, as well as sub-Chapter S corporations and partnerships with 10 or fewer shareholders or partners. It does not include regular C corporations.

The Bureau just recently released the fourth and final special report, on Asian-American, Pacific Islander, American Indian, and other minority-owned businesses. Earlier reports were released on women-owned, Black-owned, and Hispanic-owned business.

The following pages summarize the major findings of each report.

BLACK - OWNED BUSINESS

- Between 1982 and 1987, the number of Black-owned businesses rose from 308,000 to 424,000, an increase of 38 percent.
- As of 1987, Black-owned businesses accounted for roughly 3 percent of all U.S. businesses and about 1 percent of total U.S. business receipts.
- In 1987, nearly half (49.40 percent) of all Black-owned businesses were in the services industry.
- Between 1982 and 1987, the number of Black-owned businesses in the manufacturing industry more than doubled, rising from 3,707 in 1982 to 8,004 in 1987.
- Even more striking was the growth in the total receipts of these businesses: between 1982 and 1987, the total receipts of Black-owned manufacturing businesses experienced a nearly four-fold increase, rising from 345 million in 1982 to just over \$1 billion in 1987.
- Another industry of strong growth for Black-owned businesses was the wholesale trade industry. The number of Black-owned businesses in the wholesale trade industry rose by about 77 percent between 1982 and 1987 (from 3,119 businesses to 5,519 businesses), and the total receipts of these businesses more than quadrupled over the same time period - rising from \$432 million in 1982 to \$1.3 billion in 1987.

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- Between 1982 and 1987, the number of Black-owned businesses with paid employees rose by 87 percent, from 37,841 businesses in 1982 to 70,815 businesses in 1987.
- As of 1987, Black-owned businesses employed nearly one-quarter million (220,467) American workers, up by 82 percent from 121,373 workers in 1982.

WOMEN- OWNED BUSINESS

- Between 1982 and 1987, the number of women-owned businesses rose from 2,612,621 to 4,112,787, an increase of about 58 percent. This rate of growth is more than four times the rate for all businesses (14%).
- The total receipts of women-owned businesses nearly tripled over this same time period, rising from \$98.3 billion in 1982 to \$278.1 billion in 1987. As of 1987, women-owned businesses accounted for roughly 30 percent of all U.S. businesses and about 13.9 percent of total U.S. business receipts.
- Regionally, the Northeastern states lead the nation in the growth in the financial contribution of women-owned businesses to the economy. In fact, of the 6 states experiencing the fastest relative growth in receipts, all but one is in New England. In descending order, the 1982-1987 percent change in the annual receipts of women-owned businesses was 526.6 percent in Massachusetts, 395.7 percent in Rhode Island, 374.3 percent in New Hampshire, 288.8 percent in Maine, 285.0 percent in Delaware, and 279.7 percent in Connecticut. Between 1982 and 1987, however, California remained the state with the largest absolute volume of receipts generated by women-owned businesses. As of 1987, the receipts of women-owned businesses in California were a formidable \$31.02 billion, just over 11 percent of the 1987 receipts of women-owned businesses nationwide.
- Between 1982 and 1987, women-owned businesses demonstrated their growing importance as providers of jobs for American workers. Between 1982 and 1987, the number of women-owned businesses with paid employees very nearly doubled, rising from 311,662 businesses in 1982 to 618,198 businesses in 1987.
- As of 1987, women-owned businesses employed over three million (3,102,685) American workers, more than twice the 1,354,588 workers employed by women-owned businesses in 1982.

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- In 1987, over half (55.17 percent) of all women-owned businesses were in the services industry, which has traditionally been the case. However, while the percent of all women-owned businesses located in these industries rose between 1982 and 1987, the share of women-owned business receipts accounted for by these industries experienced a notable decline between 1982 and 1987. This indicates that women are opening businesses in a wider variety of industries than before.
- In 1982, women-owned firms in the retail trade and services industries accounted for just over 63 percent of the total receipts of women-owned businesses. As of 1987, women-owned businesses in these two industries accounted for just under 53 percent of the total receipts of women-owned businesses. The decline in receipts in the trade and services industry has been more than replaced by strong growth in the construction, manufacturing, and wholesale trade industries.
- The total receipts of women-owned businesses in the construction industry more than quadrupled between 1982 and 1987, rising from \$4.6 billion in 1982 to \$20.3 billion in 1987.
- Between 1982 and 1987, the number of women-owned businesses in the manufacturing industry more than doubled, rising from 44,909 in 1982 to 93,960 in 1987. Even more striking was the growth in the total receipts of these businesses: between 1982 and 1987, the total receipts of women-owned manufacturing businesses experienced a nearly six-fold increase, rising from \$5.3 billion in 1982 to \$30.9 billion in 1987. Whereas women-owned manufacturing businesses accounted for 5.4 percent of the receipts of all women-owned businesses in 1982, by 1987, that figure had risen to 11.1 percent.
- The growth of women-owned businesses in the wholesale trade industry was also quite strong. Between 1982 and 1987, the number of women-owned firms in this industry rose from 32,059 to 82,513, an increase of 157.4 percent. The total receipts of women-owned businesses in the wholesale trade industry rose from \$9.2 billion in 1982 to \$42.8 billion in 1987, an increase of 365.8 percent.
- Traditionally, the preponderance of women-owned businesses have been organized as sole proprietorships. In many cases, sole proprietorships are part-time or fledgling businesses. As sole proprietorships grow, they commonly reorganize as sub-Chapter S (1120S) corporations. Perhaps reflecting their "coming of age," between 1982 and 1987, the percent of women-owned businesses organized as 1120S corporations rose from 3.1 percent to 5.7 percent. The percent of women-owned businesses organized as sole proprietorships declined from 92.3 percent in 1982 to 90.5 percent in 1987.

HISPANIC - OWNED BUSINESS

- **Between 1982 and 1987, the number of Hispanic-owned businesses rose from 233,975 to 422,373, an increase of 80.5 percent. This rate of growth is almost six times the rate for all businesses (14%).**
- **As of 1987, Hispanic-owned businesses accounted for roughly 3.1 percent of all U.S. businesses.**
- **The total receipts of Hispanic-owned businesses more than doubled over this same time period, rising from \$11.76 billion in 1982 to \$24.73 billion in 1987.**
- **As of 1987, the receipts of Hispanic-owned businesses accounted for about 1.2 percent of total U.S. business receipts.**
- **Between 1982 and 1987, Hispanic-owned businesses demonstrated their growing importance as providers of jobs for American workers. Between 1982 and 1987, the number of Hispanic-owned businesses with paid employees more than doubled, rising from 39,272 businesses in 1982 to 82,908 businesses in 1987.**
- **As of 1987, Hispanic-owned businesses employed over a quarter of a million (264,846) American workers, a 71 percent increase over the 154,971 workers employed by Hispanic-owned businesses in 1982.**
- **As of 1987, approximately 76 percent of all Hispanic-owned businesses in the U.S. are in these four states: California, Texas, Florida, and New York. Hispanic-owned businesses in these states also generated about 76 percent of the receipts of all such businesses in the U.S. in 1987.**
- **California has the largest population of Hispanic-owned businesses (132,212), followed by Texas (94,754), Florida (64,413), and New York (28,254).**
- **The average receipts size of Hispanic-owned businesses in Florida (\$76,835) and California (\$61,415) is considerably larger than that of Hispanic-owned businesses nationwide (\$58,554). By contrast, the average receipts size of Hispanic-owned businesses in New York (\$55,065) and Texas (\$43,355) is smaller than the national average for these businesses.**
- **The industries experiencing the strongest relative growth in both the number and receipts of Hispanic-owned businesses are the wholesale trade and manufacturing industries.**

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- ✓ The number of Hispanic-owned businesses in the wholesale trade industry rose from 3,359 in 1982 to 10,154 in 1987, an increase of 202 percent. The receipts of these businesses grew by 219 percent over this time period, rising from \$766.65 million in 1982 to \$2.45 billion in 1987.
- ✓ The number of Hispanic-owned manufacturing firms rose from 3,938 in 1982 to 11,090 in 1987, an increase of 182 percent. The receipts of Hispanic-owned businesses in the manufacturing industry increased by 202 percent over this same time period, rising from \$480.33 million in 1982 to \$1.45 billion in 1987.
- The growth in the receipts of Hispanic-owned businesses in the construction and finance industries was also quite strong between 1982 and 1987. The receipts of Hispanic-owned businesses in the finance industry nearly tripled between 1982 and 1987, rising from \$302.19 million to \$864.28 million. The receipts of Hispanic-owned construction companies rose from \$1.29 billion in 1982 to \$3.44 billion in 1987, an increase of about 166 percent.
- Hispanic-owned businesses are becoming more industrially diverse. In 1982, the receipts of Hispanic-owned firms in the retail trade and services industries accounted for nearly 63 percent of the receipts of all Hispanic-owned businesses. By 1987, Hispanic-owned business receipts in these two industries accounted for just over 55 percent of the total receipts of Hispanic-owned businesses.

ASIAN AMERICAN AND PACIFIC ISLANDER - OWNED BUSINESS

According to Census Bureau classification, these two groups are comprised primarily of Hawaiians and Americans of Asian Indian, Chinese, Japanese, Korean, Vietnamese, or Filipino extraction.

- Between 1982 and 1987, the number of businesses owned by Asian Americans and Pacific Islanders rose from 187,691 to 355,331, an increase of 89.3 percent.
- The number of businesses owned by Vietnamese Americans increased more than five-fold, rising from 4,989 businesses in 1982 to 25,671 businesses in 1987.
- Starting from much larger bases, the growth in the number of businesses owned by Korean Americans and Asian Indian Americans between 1982 and 1987 was also quite remarkable. The number of businesses owned by Korean Americans rose from 30,919 in 1982 to 69,304 in 1987, an increase of 124.2 percent.

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- The number of businesses owned by Asian Indian Americans grew by 119.9 percent over this same five-year period, rising from 23,770 in 1982 to 52,266 in 1987.
- Among businesses owned by Asian Americans and Pacific Islanders, those owned by Chinese Americans comprised the biggest subgroup - at 89,717 businesses - in 1987.
- As of 1987, businesses owned by Asian Americans and Pacific Islanders accounted for 2.6 percent of all U.S. businesses in 1987.
- The total receipts of businesses owned by Asian Americans and Pacific Islanders rose from \$12.65 billion in 1982 to \$33.13 billion in 1987, an increase of 161.8 percent.
- The average receipts size of businesses owned by Asian Americans and Pacific Islanders rose from \$67,419 to \$93,223 between 1982 and 1987, an increase of 38.3 percent.
- Among businesses owned by Asian Americans and Pacific Islanders, the receipts size of businesses owned by Asian Indian Americans experienced the greatest increase between 1982 and 1987. The average receipts size of these businesses grew by 84 percent to \$128,477 in 1987.
- In terms of receipts size, businesses owned by Asian Indian Americans were easily the largest of all businesses owned by Asian Americans and Pacific Islanders in 1987. Businesses owned by Vietnamese Americans were the second largest, with an average of \$110,859 in receipts per firm, followed by businesses owned by Hawaiians, with annual receipts averaging \$107,115 per firm.
- As of 1987, the receipts of businesses owned by Asian Americans and Pacific Islanders accounted for about 1.7 percent of total U.S. business receipts.
- There were 92,718 businesses owned by Asian Americans and Pacific Islanders that had paid employees in 1987. These businesses employed 351,345 workers.
- Chinese American-owned businesses employed 126,763 workers in 1987--nearly one-third of all workers employed by businesses owned by Asian Americans and Pacific Islanders.

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- Roughly three-quarters of all businesses owned by Asian Americans and Pacific Islanders in 1987 were in the services and retail trade industry divisions. The services and retail trade industry divisions accounted for 49 percent, and 26.3 percent of all businesses owned by Asian Americans and Pacific Islanders in 1987 (compared to 49 percent for businesses owned by Asian Americans and Pacific Islanders, overall).
- Businesses owned by Asian Indian Americans and Filipino Americans were especially concentrated in the services industry division: the services industry division accounted for 57 and 54 percent of all businesses owned by Asian Indian Americans and Filipino Americans, respectively, in 1987.
- In 1987, Vietnamese American-owned businesses were more than twice as likely to be located in the manufacturing industry division than businesses owned by any other subgroup of Asian Americans and Pacific Islanders: 7.6 percent of all Vietnamese American-owned businesses were manufacturing businesses in 1987.
- In 1987, Korean American-owned businesses were especially concentrated in the retail trade industry division: 37.8 percent of all of these businesses were retail trade businesses in 1987 (compared to 26.3 percent for businesses owned by Asian Americans and Pacific Islanders, overall).
- In 1987, California had the largest population of businesses owned by Asian Americans and Pacific Islanders, (144,353), followed by New York (35,812), and Hawaii (31,300). These three states accounted for 59.5 percent of all U.S. businesses owned by Asians and Pacific Islanders. California, alone, accounted for 40 percent of all U.S. businesses owned by Asians and Pacific Islanders, and 44 percent of the receipts of these businesses.

AMERICAN INDIAN AND ALASKAN NATIVE - OWNED BUSINESS

The category Alaska Natives is comprised of Eskimos and Aleuts.

- Between 1982 and 1987, the number of businesses owned by American Indians and Alaska Natives rose from 13,573 to 21,380, an increase of 57.5 percent. The number of businesses owned by American Indians rose by 63.5 percent over this five-year period, from 10,938 in 1982 to 17,884 in 1987. The number of business owned by Aleuts rose from 958 in 1982 to 1,143 in 1987, an increase of 19.3 percent.

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- The number of Eskimo-owned businesses experienced a 40.3 percent increase between 1982 and 1987, rising from 1,677 in 1982 to 2,353 in 1987.
- As of 1987, businesses owned by American Indians and Alaska Natives accounted for 0.2 percent of all U.S. businesses.
- The total receipts of businesses owned by American Indians and Alaska Natives rose from \$495 million in 1982 to \$911 million in 1987, an increase of 84 percent.
- In 1987, the total receipts of American Indian-owned businesses were \$803 million, up 88 percent from \$427 billion in 1982. The receipts of Aleut-owned businesses grew by 39.5 percent over this five-year period, from \$38 million in 1982 to \$53 million in 1987. The receipts of Eskimo-owned businesses rose from \$30 million in 1982 to \$55 billion in 1987, an increase of 83.3 percent.
- Among businesses owned by American Indians and Alaska Natives, the receipts size of businesses owned by Eskimos experienced the greatest increase between 1982 and 1987. The average receipts size of these businesses grew by 30.7 percent over this five-year period, from \$17,889 per firm in 1982 to \$23,374 in 1987.
- The growth in the average receipts size of businesses owned by American Indians and Eskimos was considerably more modest. The average receipts per firm of Aleut-owned businesses were \$46,369 in 1987, a 16.9 percent increase from \$39,366 in 1982. The average receipts size of American Indian-owned businesses rose from \$39,038 in 1982 to \$44,901 in 1987, an increase of 15 percent.
- As of 1987, the receipts of businesses owned by American Indians and Alaska Natives accounted for about 0.05 percent of total U.S. business receipts.
- There were 3,739 businesses owned by American Indians and Alaska Natives that had paid employees in 1987. These businesses employed a total of 8,956 workers. Almost all of these workers - 8,571 - were employed by businesses owned by American Indians.
- The industrial distribution of businesses owned by Alaska Natives is distinguished by the very high proportion of these businesses that are in the agriculture, forestry, and fishing industry division. In 1987, 58.7 percent of Aleut-owned businesses - and 68.6 percent of Eskimo-owned businesses - were in the agriculture, forestry, and fishing industry division.
- In 1987, 15.4 percent of American Indian-owned businesses were in the construction industry: among minority-owned businesses, this is an unusually high concentration of businesses in this industry.

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- In 1987, Alaska had the largest population of businesses owned by American Indians and Alaska Natives (4,006), with about one-quarter of these businesses (1,039) owned by American Indians. The next largest population of businesses owned by American Indians and Alaska Natives in 1987 (3,280) was in California, with almost all of these businesses (3,087) owned by American Indians. North Carolina had the third largest population of businesses owned by American Indians and Alaska natives in 1987 (1,758), all but one of which were owned by American Indians. These three states account for 43.7 percent of all U.S. businesses owned by American Indians and Alaska Natives, and 37 percent of the receipts of these businesses.

EXHIBIT 3

Facts on Working Women

U.S. Department of Labor
Women's Bureau



No. 89-5
December 1989

WOMEN BUSINESS OWNERS

Women continue to make inroads into business ownership in the United States. Women-owned nonfarm sole proprietorships increased 62.5 percent between 1980 and 1986, from 2.5 million to 4.1 million.¹ Total nonfarm sole proprietorships increased 41.8 percent during the same time period, from 9.7 million to 13.8 million. Women's share of total nonfarm sole proprietorships increased from 26.1 percent in 1980 to 29.9 percent in 1986.

The largest number of women-owned businesses historically has been in services and in wholesale and retail trade and this trend continued into 1986. As indicated in Table I, 2.4 million women-owned businesses were in the services industry followed by 975,000 in wholesale and retail trade. However, women's business ownership in nontraditional areas has increased significantly since 1980 with a 165.9 percent increase in mining, construction and manufacturing, and a 110.9 percent increase in agriculture, forestry and fishing, for example.

Women-owned nonfarm sole proprietorships represented 12.9 percent of total business receipts in 1986, up from 8.8 percent in 1980. Between 1980 and 1986, total receipts of women-owned nonfarm sole proprietorships virtually doubled, increasing from 36.4 billion to 71.6 billion. The average receipts of women-owned sole proprietorships rose 19.9 percent in current dollars from \$14,348 in 1980 to \$17,362 in 1986. Women's increasing share of both proprietorships and receipts are indications of women business owners growing importance in the American economy.

¹The State of Small Business: A Report of the President, Transmitted to the Congress, 1989. (The Small Business Administration notes that these figures still represent an underestimate of the total business ownership of women since women-owned corporations and partnerships are not tabulated by the Internal Revenue Service.)

Table 1
Women-Owned Businesses
by Industry (in thousands) and Percent Change
1980 through 1986

	<u>1986</u>	<u>1980</u>	<u>Percent Change 1980-1986</u>
Total	4,121	2,535	62.5
Agriculture, Forestry, and Fishing	65	31	110.9
Mining, Construction, and Manufacturing	224	84	165.9
Transportation, Communications, and Electric Utilities	52	28	86.1
Wholesale and Retail Trade	975	825	18.2
Finance, Insurance, and Real Estate	451	355	27.2
Services	2,355	1,213	94.2

According to a report issued by the Bureau of the Census² in 1982, businesses owned by women were more likely than businesses owned by men to:

- be home-based (56 percent as compared with 51 percent).
- have no paid employees (84 percent as compared with 76 percent). Women were employed in 11 percent and minorities were employed in 4 percent of women-owned firms. Also, women business owners were less likely to work more than 40 hours a week in ownership activities.
- provide no income to the owner from the firm (18 percent as compared with 13 percent). On the other hand, about one-fourth (23 percent) of women business owners reported deriving 100 percent of their income from the firm compared with 29 percent of men business owners.
- have been newly acquired. Twenty percent of businesses owned by women were acquired in 1982 (the year of the survey) as compared with 15 percent of businesses owned by men. Only 6 percent of women-owned businesses were acquired by the owner before 1960 as compared with 11 percent of those owned by men. Nearly three-fourths of women business owners were the original founders and 13 percent purchased their businesses. However, women-owned businesses were more likely than those owned by men to have been acquired as a gift or through marriage.
- have been started or acquired with no capital required or borrowed (75 percent as compared with 66 percent). Thirty-six percent of women owners did not borrow because capital was not required, as compared with 26 percent of men owners. As a group, women sole proprietors relied less than men sole proprietors on banks as a source of borrowed start-up or acquisition capital.
- have been started with less capital. In real (1982) dollars, women founded their businesses with about half the capital used by men (\$10,503 as compared with \$20,717).

² 1982 Characteristics of Business Owners, CB082-1, Bureau of the Census, U.S. Department of Commerce, issued August 1987. This report presents data about the characteristics of minority-owned and women-owned businesses and their owners as well as a comparable non-minority male business universe.

Women business owners tended to be somewhat younger than their male counterparts. About 69 percent were between the ages of 25 and 54 while 16 percent were age 55 to 64 and 8 percent were age 65 years and over. Among men business owners, 67 percent were between 25 to 54 years of age, 18 percent were 55 to 64 years, and 9 percent were 65 years of age and over. The remaining respondents were under age 25.

Seventy-one percent of women business owners were married as compared with 82 percent of men owners. Of the remaining women owners responding, 11 percent were divorced or separated, 9 percent had never married and 6 percent were widowed.

According to a study by Faith Ando and Associates, of women-owned sole proprietorships in 1982, 92.5 percent were owned by white women, 3.8 percent by black women, 2.1 percent by Hispanic women and 1.6 percent by Asian women (see Chart 1).

Chart 1

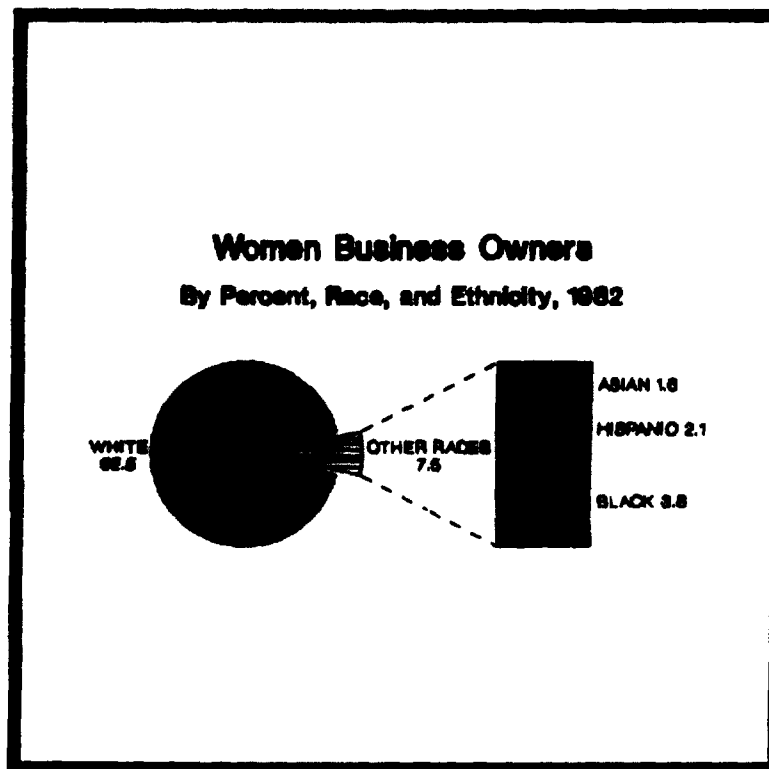


Chart based on data from "Minorities, Women, Veterans and the 1982 Characteristics of Business Owners Survey, A Preliminary Analysis," by Faith Ando and Associates, Haverford, Pennsylvania, September 1988.